

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
FLEMING COUNTY WATER ASSOCIATION) CASE NO. 2000-375

O R D E R

On July 26, 2000, Fleming County Water Association ("Fleming County") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Fleming County purchases its water from the city of Flemingsburg ("Flemingsburg"), Western Fleming County Water District ("West Fleming"), Rowan Water Inc. ("Rowan"), city of Vanceburg ("Vanceburg"), and the city of Maysville ("Maysville"). Fleming County has received an increase from each of its suppliers except Vanceburg.
2. Flemingsburg has increased the wholesale water rate charged to Fleming County from \$1.67 to \$1.92 per 1000 gallons effective July 21, 2000.
3. West Fleming has increased the wholesale water rate charged to Fleming County from \$1.14 to \$1.38 per 1000 gallons effective May 14, 1998.
4. Rowan has increased the wholesale water rate charged to Fleming County from \$1.20 to \$1.30 per 1000 gallons effective January 1, 1997.

5. Maysville has increased the wholesale water rate charged to Fleming County from \$1.3283 to \$1.4876 per 1000 gallons effective March 15, 1999.

6. During the 12 months ending June 30, 2000, Fleming County purchased a total of 228,087,000 gallons of water and sold 209,087,000 gallons.

7. The increase in the cost of purchased water will be \$49,275, resulting in a purchased water adjustment of \$0.23 per 1,000 gallons of water. Based on a monthly usage of 5,000 gallons, the average bill of a Fleming County customer would increase \$1.15 from \$27.65 to \$28.80 or 4.2 percent.

8. The calculations and tariff provided by Fleming County are correct and should be approved.

9. The purchased water adjustment of \$0.23 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.23 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after the date of this Order.

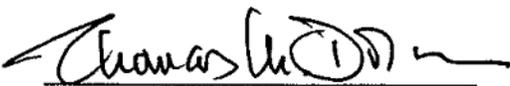
2. The tariff submitted by Fleming County is hereby approved as filed.

3. Within 20 days from the effective date of this Order, Fleming County shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 25th day of August, 2000.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2000-375 DATED AUGUST 25, 2000

The following rates and charges are prescribed for the customers in the area served by Fleming County Water Association. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000 gallons	\$12.51	Minimum bill
Next	8,000 gallons	5.43	per 1,000 gallons
Next	40,000 gallons	3.73	per 1,000 gallons
Over	50,000 gallons	2.78	per 1,000 gallons